



441 G St. N.W.  
Washington, DC 20548

B-338372

May 27, 2026

The Honorable Bill Cassidy  
Chairman  
The Honorable Bernie Sanders  
Ranking Member  
Committee on Health, Education, Labor, and Pensions  
United States Senate

The Honorable Tim Walberg  
Chairman  
The Honorable Bobby Scott  
Ranking Member  
Committee on Education and Workforce  
House of Representatives

Subject: *Department of Education, Reimagining and Improving Student Education—Federal Student Loan Program Final Regulations*

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Department of Education (ED) entitled “Reimagining and Improving Student Education—Federal Student Loan Program Final Regulations” (RIN: 1840-AD98). We received the rule on May 1, 2026. It was published in the *Federal Register* on May 1, 2026. 91 Fed. Reg. 23768. The stated effective date of the rule is July 1, 2026.

According to ED, this rule amends the regulations for the federal student loan programs authorized under title IV of the Higher Education Act of 1965, Public Law 89-329 (Nov. 8, 1965), as amended, to implement statutory changes included in Public Law 119-21 (July 4, 2025). ED stated that these changes include establishing new loan limits for graduate students, professional students, and parents, and phasing out the Graduate PLUS Program. ED stated that Public Law 119-21 also simplifies federal student loan repayment plans by phasing out the existing Income-Contingent Repayment plans, creating a new Tiered Standard repayment plan option, and establishing a new income-driven repayment plan known as the Repayment Assistance Plan. ED further stated that Public Law 119-21 also enables borrowers in default who have previously rehabilitated a defaulted loan a second chance to rehabilitate their loan(s) and resume repayment.

The Congressional Review Act (CRA) requires a 60-day delay in the effective date of a major rule from the date of publication in the *Federal Register* or receipt of the rule by Congress, whichever is later. 5 U.S.C. § 801(a)(3)(A). The rule was published in the *Federal Register* on May 1, 2026. The Senate received the rule the same day. 172 Cong. Rec. S2326 (daily ed. May 18, 2026). The House of Representatives received the rule on May 12, 2026. 172 Cong. Rec. H3451 (daily ed. May 13, 2026). The rule has a stated effective date of July 1, 2026. Therefore, the stated effective date is less than 60 days from the date of receipt by Congress.

Enclosed is our assessment of ED's compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. If you have any questions about this report or wish to contact GAO officials responsible for the evaluation work relating to the subject matter of the rule, please contact me at (202) 512-8156.

A handwritten signature in black ink that reads "Shirley A. Jones". The signature is written in a cursive style with a large initial 'S' and a long, sweeping tail on the 'J'.

Shirley A. Jones  
Managing Associate General Counsel

Enclosure

cc: John Huston  
Deputy General Counsel, Office of the General Counsel  
Department of Education

REPORT UNDER 5 U.S.C. § 801(a)(2)(A) ON A MAJOR RULE  
ISSUED BY THE  
DEPARTMENT OF EDUCATION  
ENTITLED  
“REIMAGINING AND IMPROVING STUDENT EDUCATION—FEDERAL STUDENT LOAN  
PROGRAM FINAL REGULATIONS”  
(RIN: 1840-AD98)

(i) Cost-benefit analysis

The Department of Education (ED) prepared an analysis of the costs and benefits of this rule. 91 Fed. Reg. 23768, 23847 (May 1, 2026). ED stated that the quantified economic impacts include reducing annualized transfers from the federal government to student loan borrowers by \$42.3 billion, at a 3 percent discount rate, and \$44.3 billion, at a 7 percent discount rate. *Id.* ED also described the following quantified costs: paperwork burdens (\$25 million (3 percent discount rate), \$37.2 million (7 percent discount rate)); administrative updates to government systems (\$10.4 million (3 percent discount rate), \$12.1 million (7 percent discount rate)); staffing (\$5.5 million (3 percent discount rate), \$6.0 million (7 percent discount rate)); and ongoing costs to operate and maintain systems to administer the provisions (\$7.43 million (3 percent discount rate), \$7.76 million (7 percent discount rate)). *Id.*

(ii) Agency actions relevant to the Regulatory Flexibility Act (RFA), 5 U.S.C. §§ 603–605, 607, and 609

ED anticipated that this rule will have a significant economic impact on a substantial number of small entities and prepared a Final Regulatory Flexibility Analysis. 91 Fed. Reg. at 23870–71.

(iii) Agency actions relevant to sections 202–205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532–1535

ED stated in its submission to us that it did not discuss the Act in this rule.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 *et seq.*

On January 30, 2026, ED published a proposed rule. 91 Fed. Reg. 4254. ED stated that they received comments from various interested parties. 91 Fed. Reg. at 23771. ED responded to comments in the rule. *See id.*

Paperwork Reduction Act (PRA), 44 U.S.C. §§ 3501–3520

ED determined that this rule contains information collection requirements under the Act. 91 Fed. Reg. at 23873–79.

Statutory authorization for the rule

ED promulgated this rule pursuant to chapter 28, subchapter IV of title 20, United States Code, including amendments made to the subchapter by Public Law 119-21 (July 4, 2025).

Executive Order No. 12866 (Regulatory Planning and Review)

ED stated that this rule is economically significant under the Order and subject to Office of Management and Budget review. 91 Fed. Reg. at 23847.

Executive Order No. 13132 (Federalism)

ED determined this rule does not have federalism implications. 91 Fed. Reg. at 23879.